

**For Immediate Release
February 1, 2000**

STATEMENT BY THE PRESIDENT

THE WHITE HOUSE

Office of the Press Secretary

In July 1999, I announced reforms to the Administration's export controls on high-performance computers (HPC) and semiconductors that were intended to strengthen America's high-tech competitiveness and maintain controls necessary to protect our national security. At that time, I directed my national security and economic advisors to review HPC technology advancements every six months, and to provide me with recommendations to adjust our HPC export controls if warranted.

Today, based on the recommendations I have received from agencies as a result of their review, I am announcing additional reforms to U.S. export controls on HPCs. This decision reflects my commitment to a control system that will enhance U.S. national security by implementing controls on computer exports that are effective and enforceable.

I have decided to raise the licensing threshold for HPC exports to Tier 2 countries. I have decided also to raise the licensing threshold for Tier 3 countries and the threshold above which proposed exports to Tier 3 countries must be notified to U.S. government export control agencies, and to adjust the Tier 3 country grouping. The Administration will continue its policy of maintaining a lower threshold for military end-users than civilian end-users. Export control agencies will examine the benefits of maintaining a civil/military differential in the course of their next review of HPC levels. Due to the ever-increasing rate of technological change, agencies will review control levels by April 2000 to determine if further changes are warranted.

The changes to the pre-export notification threshold and the Tier 3 country group require Congressional review periods of six and four months, respectively, before they can go into effect. I will continue to work with the Congress to pass legislation that would reduce these periods to one month, so that we can keep up with the rapid pace of technological change. I also will work with Congress to explore longer-term solutions to how we control exports of items like computers and microprocessors when they become widely available commodities.